

Congressman Jesse L. Jackson, Jr., today backed the most comprehensive response yet to the American mortgage crisis. The American Housing Rescue and Foreclosure Prevention Act will help families keep their homes, aid local communities hit hard by the foreclosure crisis and strengthen the economy and financial markets. The bill was passed in the House by a vote of 272 - 152.

Jackson said, "Losing a home is traumatic for the family, the community and it hurts the entire country. According to a recent report about foreclosures, South Suburban Cook County had over 36 foreclosures per 1,000 mortgageable properties -- double the regional average. That rate is 24.4 in the city of Chicago. My district is struggling and this bill provides critical relief and support."

This legislation provides mortgage refinancing assistance to keep at least 400,000 families from losing their homes. In addition, borrowers who are in danger of losing their home can refinance into lower-cost government insured mortgages. Finally, the legislation puts a tough, independent new regulator in charge of Freddie Mac, Fannie Mae and Federal Home Loan Banks, which are government sponsored enterprises.

The legislation also:

- *Provides \$4 billion in emergency assistance to communities hardest hit by the foreclosure and subprime crisis to purchase, rehabilitate or redevelop foreclosed homes to stabilize neighborhoods

- *Expands homeownership opportunities for veterans, and helps returning soldiers avoid foreclosure and stay in their home

- *Provides tax breaks to spur home buying

- *Creates a new fund to boost the nation's stock of affordable rental housing in both rural and urban areas for low and very low-income individuals and families

*Provides \$180 million for financial counseling and legal assistance to assist families in foreclosure

The American Housing Rescue and Foreclosure Prevention Act has earned the support of Democrats and Republicans in both the House and Senate, and President Bush has indicated that he will sign the bill into law.

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